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Commission for Social Development
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Item 3 (a) of the provisional agenda*
Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: poverty eradication

Statement submitted by Passionists International, a non-governmental organization in special consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* E/CN.5/2012/1.

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Statement

Our world is experiencing rapidly growing inequality, with 80 per cent of the world's population sharing a mere 30 per cent of the world's wealth. According to the International Labour Organization, the income of just 1 per cent of the world's population (the 61 million persons) is equal to that of 56 per cent (3.3 billion persons). Linked with this inequality, corporation-led practices, such as mining, the use of chemicals and pesticides, water pollution and deforestation, have a severe and dangerous effect on the Earth. These combined actions have created an unsustainable future for the human community. It is the people who are forced to live in poverty and the planet itself that bear the brunt of this inequality. As stated by Pat Mooney of the ETC group: "Our energy system is unsustainable; our food chain is breakable; our environment is eroding and our water is running out" (see www.etcgroup.com).

While businesses are, by their nature, geared to making profit, they can no longer be exempted from oversight and scrutiny. The dominance of the neoliberal market model has meant that companies, particularly corporations operating in several countries, can escape scrutiny in all countries but their country of origin. Policies calling for self-regulation by corporations have been found wanting. The pressure to maximize shareholder profit is too often the enemy of respect for the rights of people on whose lands and territories commercial projects are built. Now is the time for serious consideration of standards that are enforceable.

Many Governments have capitulated and allowed the privatization of institutions once thought to be inherently public in nature. Government instrumentalities produced real goods and services and provided a livelihood for the local community. These public instruments included such things as care of natural resources, social services, prisons and transportation.

Corporations, whether operating within or outside their own countries, must be held accountable to the triple bottom line. This means that economic growth and profit must be pursued within the limits imposed by appropriate standards of environmental protection, social well-being and access to benefit-sharing for the communities where corporations do business. Corporate planning and action must not be exempted from those demands. The sheer increase in the number of large corporations involves greater competition for resources with finite capacity and real limits. As the international community struggles to impose realistic limits on all of us to control pollution and hold down the levels of carbon dioxide that threaten the very future of the planet, it becomes more urgent for serious consideration to be given to regulation.

Extractive industries have a particularly negative impact on the achievement of the triple bottom line. The recent practice of hydraulic fracturing, or "fracking", to extract gas in shale rock and coal bed seams deep within the earth uses huge volumes of water and toxic chemicals injected into the earth under enormous pressure. The process causes the contamination of groundwater aquifers and the release of dangerous gases. Urgent investigation, regulation and monitoring of this practice is needed.

Other concerns related to fracking include air pollution, wastewater disposal, the industrialization of farmland, increased carbon dioxide emissions, the destruction of wildlife habitat and, a little-reported effect, a significant number of

"induced earthquakes". The precautionary principle must shape decisions on the use of such methods of extraction.

In the scramble to find new sources of minerals and oil, companies often find themselves in conflict with indigenous peoples, farming interests and the food security needs of some countries. Too often, host country Governments are complicit in enabling corporations to flout environmental standards or to proceed without obtaining the free, prior and informed consent of indigenous landowners. The world's five largest food and beverage processing companies annually use enough fresh water to meet the personal needs of everyone in the world. In 1995, the world's top 10 seed companies controlled 37 per cent of global commercial seed trade. Today, they control 73 per cent. The top 100 food processing companies control 77 per cent of global packaged food sales, and 10 companies control almost one third of total sales. As corporations accumulate wealth for their shareholders, people trapped in poverty pay higher prices for food and face the loss of clean drinking water and even their own lands and livelihoods.

In the light of the growing depletion of the Earth's resources and the resulting effect on people living in poverty, we call upon multinational corporations to exercise their social and environmental responsibility to ensure the long-term well-being of people, lands and oceans.

Recommendations

In pursuit of a more equal world order, we recommend that:

(a) Governments require that all activity by corporations be measured against the precautionary principle;

(b) Member States urgently consider the need for enforceable standards of economic, social and environmental accountability, applied to corporations in every country in which they operate;

(c) Corporate self-regulation must be strengthened with enforceable rules for transparent financial reporting of all profits in all countries in which multinational corporations operate;

(d) The United Nations should take a leadership role through the continued development of the *Transfer Pricing Manual*. This is vital since transfer pricing regulations are essential for countries to protect their tax base and enhance cross-border trade. Developing countries must be able to create a climate of certainty for increased cross-border trade without losing out on essential tax revenue.

Note: Statement endorsed by the following non-governmental organizations in consultative status with the Council: Congregations of St. Joseph, Congregation of Our Lady of Charity of the Good Shepherd, Company of the Daughters of Charity of St. Vincent de Paul, Dominican Leadership Conference, International Presentation Association of the Sisters of the Presentation, Sisters of Notre Dame de Namur, Salvation Army, UNANIMA International and VIVAT International.

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Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: poverty eradication

Statement submitted by the International Presentation Association of the Sisters of the Presentation of the Blessed Virgin Mary, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

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Statement

During the forty-ninth session of the Commission for Social Development, there was much interest shown in social protection as an emerging issue. Social protection contributes to the achievement of Goal 1 (eradicate extreme poverty and hunger) of the Millennium Development Goals by transferring resources to those living in extreme poverty and enabling the beneficiaries to generate income, protect their assets and accumulate human capital (A/65/259). The outcome document of the September 2010 summit meeting on the Millennium Development Goals, entitled "Keeping the promise", states that "promoting universal access to social services and providing social protection floors can make an important contribution to consolidating and achieving further development gains" (General Assembly resolution 65/1). Many studies note the potential of social protection initiatives to promote progress towards the achievement of Goal 1, in particular target 1: halving income poverty by 2015 (A/65/259).

At a press conference at United Nations Headquarters on 14 February 2011, Michael Cichon, Director of the International Labour Organization (ILO) Social Security Department, said that stakeholders seemed to have forgotten that social security was indeed a human right. He stressed that implementing the Social Protection Floor Initiative in a developing country with an expenditure of as little as 3-4 per cent of gross domestic product (GDP) could reduce poverty by about 40 per cent.

Effective practices on the Social Protection Floor Initiative

A recent publication by ILO, the United Nations Development Programme and the Global South-South Development Academy entitled *Sharing Innovative Experiences: Successful Social Protection Floor Experiences* presents 18 case studies from 15 countries of the global South. Michelle Bachelet, Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and Chair of the Social Protection Floor Advisory Group, in the foreword to the publication, stated, "We hope that this collection of best practices will be a useful tool for all stakeholders — Governments, social partners, social protection institutions and other national and international stakeholders — involved in decision-making or in the process of building and implementing national social protection floors."

Social protection programmes within a human rights framework

In her report to the General Assembly (A/65/259), the independent expert on the question of human rights and extreme poverty highlighted the importance of social protection measures in the Millennium Development Goals agenda. The independent expert also stressed that social protection measures designed, implemented and evaluated within the framework of a rights-based approach were more likely to ensure the achievement of the Goals and to result in long-term improvements. In the same report, she called upon States to devote increased attention to the issue of gender equality while designing, implementing and evaluating social protection programmes within a human rights framework.

The General Assembly, in its resolution 65/214, recalled that promoting universal access to social services and providing social protection floors could make

an important contribution to consolidating and achieving further development gains. Furthermore, social protection systems that addressed and reduced inequality and social exclusion were essential for protecting the gains made towards the achievement of the Millennium Development Goals. In the same resolution, the Assembly encouraged States, when designing, implementing, monitoring and evaluating social protection programmes, to ensure gender mainstreaming and the promotion and protection of all human rights in accordance with their obligations under international human rights law.

Civil society campaign

Thousands of people from more than 110 countries from the global North and South have signed on to the "Support the Social Protection Floor Initiative" campaign, an online campaign initiated by the New York-based NGO Committee for Social Development, declaring:

> "We, members of civil society, strongly support the Social Protection Floor Initiative — a joint United Nations effort coordinated by the International Labour Organization and the World Health Organization and supported by United Nations agencies, international non-governmental organizations, development banks and other development partners.
>
> "About 75 per cent of people in the world do not have adequate social security. This lack of protection undermines social cohesion and economic performance and creates political and institutional instability. This floor is a necessary tool for eradicating poverty.
>
> "No one should live below a certain income level. Everyone should be able to access at least basic health services, primary education, housing, water, sanitation and other essential services. The two necessary elements for the social protection floor are social transfers to guarantee income security, food security and adequate nutrition, and universal access to essential services.
>
> "Universal
>
> "The social protection floor must be tailored to the needs of each country and builds on that country's existing social protection mechanisms. It aims to make it possible for everyone to enjoy the rights expressed in the Universal Declaration of Human Rights (art. 22): 'Everyone, as a member of society, has the right to social security'.
>
> "Affordable
>
> "A social protection floor can be afforded by every country if integrated incrementally. A number of low- and middle-income countries have taken successful measures to build their national social protection floor.
>
> "We call on all Governments to implement a national social protection floor. We call on the United Nations to assist in the development and implementation of such policies."

Social Protection Floor Initiative programmes tailored to national needs, if implemented, would ensure a life of dignity for all, especially persons with disabilities, youth, older persons and families living in poverty.

We therefore call upon the States Members of the United Nations to:

- Ensure the implementation of the Social Protection Floor Initiative tailored to national needs by every United Nations Member State, with a specific focus on persons with disabilities, youth, older persons and families living in poverty;
- Assess all areas of social protection using gender analysis while designing, implementing and evaluating social protection programmes within a human rights framework;
- Invest domestically a minimum of 4 per cent of GDP on a universal social protection floor;
- Implement fully innovative sources of financing for development, such as the financial transaction tax, the international solidarity levy on airline tickets, debt swaps, combating tax havens and capital flight and reducing military expenditures;
- Use resources from innovative financing mechanisms to support United Nations Member States that lack sufficient revenue to implement the Social Protection Floor Initiative using domestic revenues.

Note: Statement endorsed by the following non-governmental organizations in consultative status with the Council: Citizens United for Rehabilitation of Errants, Company of the Daughters of Charity of St. Vincent de Paul, Congregation of Our Lady of Charity of the Good Shepherd, Congregations of St. Joseph, Passionists International, Sisters of Notre Dame de Namur and VIVAT International.